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AGRICULTURE

No. 252

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CONTENTS

PEOPLE'S REPUBLIC OF CHINA

I. GENERAL INFORMATION

NEED FOR FAMILY PLANNING CAST IN TERMS OF STARK ALTERNATIVES

Beijing RENMIN RIBAO in Chinese 25 Jan 83 p 2

[Article: "When Population, Cultivated Land, and Grain Are Figured Clearly, Everyone Understands the Reasons for Family Planning"]

[Text] In order to make family planning publicity month activities more wide-ranging and deepgoing, the State Family Planning Commission did a large accounting on a national scale of developments during the past 30 year's in China's population, cultivated land, and grain, and on the trend of development by the end of this century. This accounting should make people realize the urgency and major significance of family planning and control of population increase.

China has a large population relative to cultivated land. At the time of national liberation in 1949, China's population stood at slightly more than 540 million. After 3 years of economic revival, it increased to somewhat more than 570 million by 1952. At that time there was 1.62 billion mu of cultivated land, an average of 2.8 mu for every person in the entire country. Grain yields were 176 jin per mu, and grain output totaled 327.8 billion jin, an average of 570 jin per capita. At this time the average amount of cultivated land per capita was the highest during the 30 year period. However, it was close to only half the world average of 5.5 mu of cultivated land per capita, and in some countries at that time grain averaged around 2,000 jin per capita, twice or three times as much as in China.

Thirty years later in 1981, China's population had increased to more than 990 million, 420 million or 73 percent more than in 1952. Cultivated land had declined to 1.486 billion mu for an average 1.49 mu per capita, or almost half as much as the 2.8 mu of 1952. In nine provinces and municipalities, cultivated land averaged less than 1 mu per capita. As a result of increases in yields per unit of area, national grain output was greater than 650 billion jin, almost double the 1952 figure. However, the amount of grain averaged only 652 jin per capita, an increase of

only 82 jin over 1952, i.e., a 14 percent increase. Why did grain output double but the amount of grain per capita increase by only 14 percent? Because simultaneous with the increase in grain production was a 73 percent increase in population. Most of the increased grain output was used to feed the new population increase, and only a very small amount remained to increase the people's grain consumption level. Clearly the too rapid increase in population directly hurt improvement in the average amount of grain per person.

Unless we are able to control population within 1.2 billion, by the end of this century China will have an average of 1.24 mu of land per capita. If the natural rate of increase continues the same as between 1952 and 1981, by the end of the century there will be an average of only 1 mu of cultivated land per capita. Even if population is controlled within the 1.2 billion mark and cultivated land averages 1.24 mu per capita, not all this cultivated land can be used to grow grain. Cotton, oil-bearing crops, vegetables, sugar crops and many, many other farm products have to be produced from this slightly more than 1 mu of land. As a result, the cultivated land on which grain may be grown amounts to no more than 0.8 to 0.9 mu

Reclamation of wasteland is no solution either. That is because possibilities for reclaiming wasteland are not great in China. Only in the northeast and the northwest are there several hundred million mu of wasteland that could be reclaimed for agriculture, and this would require substantial investment. Experiences over a period of somewhat more than 30 years shows that, at best, newly reclaimed land can only make up for the increased use of land over the years for industry, transportation, and the building of houses in cities and the countryside. Consequently, if the existing 148.6 billion mu of cultivated land can be maintained till the end of the century, that will not be bad at all. Increase in grain output over the next 18 years will depend on increases in yields per unit of area. However, the extent of increase cannot be very great. Statistics for the period 1952 - 1981 show an increase in grain yields from 176 to 377 jin per mu, a 201 jin increase over a period of 30 years for an average increase of only 6 to 7 jin per year. In future, if the increase is 10 jin or so per year, by the end of the century grain output may total 920 billion jin or a little more. Using this as a figure, if population is controlled within 1.2 billion by the end of this century, grain may average close to, or greater than, 800 jin per capita. If population grows at the 1952-1981 rate of natural increase, by the end of the century the amount of grain will average only very slightly more than 600 jin per capita, less that the present average amount of grain per capita. Moreover, it is also necessary to figure that we are talking about average amount of grain

per capita here, and not grain rations. From this total must be deducted seed grain, livestock feed, and grain used by industry and for other purposes. In addition, it is necessary to figure in the processing of the natural grain for consumption. If population grows at the natural rate of increase of the previous [illegible] years, not only will it be impossible to attain a comfortable standard of living, but in some places problems of insufficient food and clothing will re-appear.

In short, the greater the population growth, the less the average amount of land per person, and the more difficulty in becoming prosperous. The sooner the halt in population growth, the sooner the halt in decline of cultivated land per capita, and the more the increased output of grain and other farm products can be used to raise the people's standard of living. China is now advocating one child per couple so that the annual population increase will be a little less. Population growth has its own inertia. Formerly the number of births in China increased year after year, so now the number of people reaching marrying age is increasing year after year. It has been predicted that if each couple has two children, by the end of this century the population will total at least somewhat more than 1.2 billion, and it will continue to increase into the second decade of the next century before stopping. By that time population will total more than 1.8 billion. If, beginning now, every couple has only one child, because of population inertia another more than 10 years will be required before population growth is halted.

If we continue vigorous efforts to develop production while assiduously practicing family planning with general advocacy of only one child per couple, difficulties in school enrollments, employment, and housing can be reduced. People will then have more energy to engage in production, to study science and culture, and to accelerate the building of socialist spiritual civilization.

The Chinese people have always had the cardinal principles in mind and taken the overall situation into account. With repeated reiteration of the reasons, the masses will certainly gain a greatly increased consciousness of family planning and act realistically in response to the country's call.

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CSO:[illegible]

STATE STATISTICAL BUREAU ADVISES ON AGRICULTURAL STATISTICS

Beijing RENMINRIBAO NONGMIN BAO in Chinese 21 Nov 82 p 2

[Art. 1.: "How to Perform Statistical Work Well. Responsible Person in State Statistical Bureau Replies Reporter's Questions.

[Text] Agricultural statistics are an extremely important channel through which changes in development of the rural economy can be understood. How agricultural statistical work can promptly provide rural statistical data to party and government units at all levels under the new circumstances existing in agriculture is a matter about which everyone is currently concerned. A reporter from this newspaper has interviewed a responsible person in the State Statistical Bureau on how to perform statistical work well.

Question: How does agricultural statistical work meet the needs of the new situation?

Answer: Since the Third Plenary Session of the 11th Party Central Committee, fundamental changes have taken place very rapidly in the rural situation. In order to meet these changes, substantial restructuring of several major aspects of statistical methods and the statistical system have been necessary.

Formerly, the scope of agricultural statistics was limited to the field of the agricultural economy, but now the scope of agricultural statistics must be expanded to encompass the total rural economic field.

Formerly, the focus of agricultural statistics was rural people's communes, production brigades and production teams. Now, however, operations by individual households have become the main form of agricultural sideline occupation production, so rural statistical organizations and survey methods must change in consonance with this trend.

Formerly, statistics on agricultural sideline occupation production consisted mainly of general results, but today their main thrust must be to reflect the effectiveness of the agricultural

economy. Economic forecasting must also be done.

Question: How can agricultural statistics better serve the ushering in of a new situation in agriculture?

Answer: We figure mostly in the following ways:

1. Strengthening of grassroots agricultural statistics to upgrade the accuracy of major agricultural figures.

Following general institution of contract responsibility systems linked to output, numerous important figures in agricultural had to be collected household by household, and the amount of work required to obtain statistics increased several times over. Difficulties in getting accurate figures also increased. A look at the current work situation shows that the key to getting relatively accurate agricultural figures lies in taking firm hold of grassroots statistical work. Professional personnel and a professional system are needed, and peasant household account books have to be set up gradually wherever conditions permit.

2. Good performance in surveys of the rural economy, of rural household receipts and expenditures, and output of farm products. These three kinds of surveys entail use of representative sampling with the dispatch of statistical personnel to production teams and households to conduct surveys. These surveys are fairly detailed in nature; results are obtained rapidly; and accuracy is fairly high. Right now statistical departments in all provinces, municipalities, and autonomous regions are devoting strict attention to the establishment of rural representative sampling teams, the training of survey personnel, and the operation of pilot programs.

3. Full use of statistical data to conduct statistical studies. Statistical departments at all levels have in hand large quantities of data, and agricultural statistical personnel regularly go down to the grassroots so they are very well informed on the rural situation. This is an advantage that statistical departments possess, and an advantage that must be made use of for a strengthening of analytical study of statistical data to provide research reports to leadership departments at all levels.

Question: What is required of leaders at all levels in order to enhance agricultural statistical work?

Answer: Agricultural statistics is a job with strong policy and mass work. For a long period of time party and government leaders at all levels have ignored these statistics much

[illegible] development of the [illegible]
[illegible] of agricultural [illegible]

[illegible] sary. First of [illegible] hope [illegible] statistic[illegible] [illegible] nnel. According [illegible] statist[illegible] [illegible] professional [illegible] a commune. [illegible] is suppl[illegible] [illegible] personnel to assure [illegible] statistic[illegible] [illegible] mptly and factually reported without [illegible] [illegible] is to provide more project[illegible] [illegible] nts on s[illegible] departments, a[illegible] [illegible] s in their work and daily lives. Four [illegible] ization of manpower and financial re[illegible] [illegible] nts for point surveys of problems [illegible] [illegible] redundant surveys and figures [illegible]

[illegible] are expectations of the broad masses [illegible] statistical departments to do a gi[illegible] [illegible] ata ??

[illegible] broad masses of [illegible] grassroots [illegible] [illegible] ve given powerful supp[illegible] rt to agricultural [illegible] and have made contributions to the [illegible] n. In future, as the work of economi[illegible] [illegible] and [illegible] totally increases, the need for agr[illegible] [illegible] and particularly for rural economic surveys [illegible] [illegible] household receipts and expenditures [illegible] [illegible] formidable difficulties in doing the job wi[illegible] [illegible] ly great, so it is hoped that the b[illegible] [illegible] farms and commune members will work [illegible] [illegible] provide prompt and accurate data on the [illegible] [illegible] the agricultural statistic goals that th[illegible]

[illegible] 1981, the form of household contracting system whereby [illegible] households contract sole responsibility for task com- [illegible] sole responsibility for fixed output quotas, or where- [illegible] individuals are responsible for fixed outputs accounted for 9[illegible] [illegible] The pronounced characteristic of rural production re- [illegible] systems during 1982 was the spread of large scale [illegible] of sole responsibility for task completion from pov- [illegible] areas to areas with a fairly high economic level, [illegible] spread from agriculture to forestry, animal husbandry, [illegible] occupations, fisheries, commune and brigade operated [illegible], rural service trades, and the scientific and techni- [illegible] fields. Today they are the major form of rural production [illegible] system. Some places that got a fairly early start [illegible] contracting of sole responsibility for task com- [illegible] progressed from a stable foundation to improve, upgrade, [illegible] their centralized components as, for example, cen- [illegible] drawing plans for major crops, centralized construction [illegible] water conservancy projects and management and use of [illegible], centralized selection and breeding of superior varieties, [illegible] prevention and control of diseases and insect [illegible] They used both centralization and decentralization, and a [illegible] of centralization and decentralization, clearly de- [illegible] stabilities, and better correlated the arousal of [illegible] enthusiasm with full play of the superiority of the [illegible] economy.

[illegible] the [illegible] large numbers of specialized households, key [illegible] and new economic partnerships has promoted the devel- [illegible] agricultural production in the direction of specia- [illegible] commodity production. In the development and [illegible] natural resources, the specialized households and [illegible] have brought into play peasant wisdom and intelli- [illegible] impetus to economic diversification and to evidence [illegible] vitality. They have developed from the family [illegible] industry into the farming industry, industrial sideline [illegible], the transportation industry, rural businesses, and [illegible]. On this basis a group of social service [illegible] function before production begins and after it [illegible] into being like bamboo shoots after a spring [illegible] labor organization forms burgeoned to hasten [illegible] of agriculture from an economy of self-suffi- [illegible] sufficiency toward specialized, socialized [illegible], and the transformation of traditional agri- [illegible] agriculture, the labor productivity [illegible] rate greatly increasing.

[illegible] yield areas quickly changed their back- [illegible] population increased tremendously. Inter- [illegible] areas account for two-thirds of the

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] RIAL URGES CONTINUING HIGH GRAIN PRODUCTION

[illegible]jing ZHONGGUO CAIMAO BAO in Chinese 25 Nov 82 p 1

[illegible]: "Continue a Firm Hold on Grain Production Work"]

Text] Since the Third Plenary Session of the 11th Party Central [illegible]ittee, throughout the country a policy of "positively no [illegible] of grain production while actively developing econ- [illegible]versification" has ben assiduously carried out. As [illegible] an unprecedentedly fine situation has come about in agri- [illegible]ral production, and very great development of grain and cash [illegible]s has occurred. This year the grain production situation ha[illegible] even better. Output of both summer grain and early rice has [illegible]creased, and in an overwhelming majority of places a bumper [illegible] grain crop has been harvested. An all-time record grain [illegible] for the country is forecast.

[illegible] output has increased for the country as a whole, but [illegible] provinces sustained disasters. We must implement the [illegible] of the 12th Party Congress and persevere in thinking of [illegible] country as a chessboard, adhere to the principle of [illegible] concern for the interests of the country, the collec- [illegible] individuals, and pursue a policy of using the fat years [illegible] the lean years, with good planning of grain work.

[illegible] summer grain and early rice crop outputs have over- [illegible] state purchase quotas. State purchase and storage of [illegible] grain is now about to reach a high point. All jurisdic- [illegible] take this work in hand. Places, communes, an[illegible] with bumper crops should mobilize the peasants t[illegible] and to sell good grain to support the country's [illegible] of the four modernizations. In recent years the situa- [illegible] rural villages has become better year after year. The [illegible]ants have a substantial amount of grain in their hands, and [illegible] that is needed is a clear explanation to the broad masses of [illegible] cadres and people, and the peasants will willingly se[illegible] excess grain to the state. Overfulfillment of state pur- [illegible]se quotas is entirely possible. Once production teams and [illegible]ants have fulfilled their purchase and excess purchase quota

and kind of surplus grain to sell, as long as it meets quality standards, all that they want to sell should be accepted. Grain [illegible] must [illegible] to the needs of production and serve the [illegible] of [illegible] in persevering in the implementation of [illegible] as [illegible] by the State Council upon [illegible] [illegible], they should arouse the broad masses of cadres and workers [illegible] initiative, to improve their work, and to [illegible] [illegible] to make it easy for peasants to sell grain [illegible] [illegible]. While actively fulfilling grain purchase quotas, they [illegible] well for the livelihoods of people in disaster areas, [illegible] the masses, widen production avenues, and take in hand this winter's and next spring's agricultural production [illegible].

In recent years, the quantity of grain [illegible] very [illegible]. No doubt some of the increase in grain [illegible] of just [illegible]; however, [illegible] in [illegible] and in work. [illegible], not only will sales [illegible] the quantity of commodity grain that agriculture pro[illegible] in the country will [illegible] quantities of grain sold must be strictly [illegible] agricultural population [illegible] commodity grain, matters must be handled [illegible] with policies. There can be no [illegible] population that sell grain [illegible] instituted production responsibility [illegible] former "three dependency brigades" [illegible] with [illegible] surplus, and [illegible] grain [illegible]. Award sales of grain for [illegible] the products should also be [illegible] of every [illegible] toward lax management [illegible] and corrected. [illegible] the making of [illegible]

[illegible]

areas should practice thrift. The saving or waste of a
n of grain per person per month can mean almost 100
n per year for the country as a whole. Conservation of
the thrifty household management is a virtue of China'
, and this fine tradition positively cannot be

the first year in which contracting of full respon-
state grain purchases, sales, and allocations has
ticed. Since there is contracting of full responsibility
, there should be genuine contracting of full responsi-
is necessary to persist in carrying out state grain
programs and, in the process of carrying them out, to
experiences promptly in order to improve them con-

ittees and the people's government at all levels should
rengthen leadership of grain work, strengthen ideologi-
ritical work, educate the broad masses of grain cadres,
workers to study thoroughly and carry into effect the
the 12th Party Congress, to work in full cooperation
of purpose, to be conscientious and earnest and, while
unified procurement and marketing of grain, to en-
ther the administration and management of grain in an
ther in a new situation in grain work, the better to
people's livelihood, to serve industrial and agricultu-
tion, and to assure smooth performance of the building
ntry's four modernizations.

STATE COUNCIL NOTICE ISSUED ON ABOLITION OF DIESEL FUEL SUBSIDIES

Beijing RENMIN GONGHEGUO GUOWUYUAN GONGBAO [THE PEOPLE'S REPUBLIC OF CHINA STATE COUNCIL COMMUNIQUE] in Chinese No 16, 15 Nov 82 pp 702-704

[Article: "Notice of State Council Approval and Forwarding of Ministry of Commerce, National Price Bureau, and Ministry of Finance Report on the Issue of Abolition of Price Subsidies for Diesel Fuel Used in Farming, 9 October 1982. Guofa [1982] No 125."]

[Text] The State Council has concurred in the Ministry of Commerce, National Price Bureau and Ministry of Finance "Report on the Issue of Abolition of Price Subsidies for Diesel Fuel Used in Agriculture, which it now issues to you to be put into effective on 1 November 1982.

Abolition of subsidies for diesel fuel used in agriculture has broad ramifications. All jurisdictions should conduct publicity and provide explanations when carrying it into effect. In order to insure national treasury receipts, funds involved in the abolition of price subsidies are to revert to the central government treasury, and be sent by it to intercept them.

Ministry of Commerce, National Price Bureau, and Ministry of Finance Report on the Issue of Abolition of Price Subsidies for Diesel Fuel Used in Agriculture.

[illegible] 1982

[illegible] principle of running subsidies for diesel fuel [illegible] the Leading committee of the State Council on [illegible] discussion by the State Planning Commission [illegible] joint work conference on 3 July and 4 September, [illegible] at a State Planning Commission meeting. [illegible] were reached on the issue of the abolition of price subsidies [illegible] fuel [illegible] in agricultural production, and implementation within the [illegible] levels. A report to [illegible] provided on the status of [illegible] diesel fuel used in agricultural (and fisheries) production, [illegible]

[illegible] subsidies for diesel fuel used in agricultural [illegible] abolition of former preferential [illegible]

beginning in 1956, the state provided preferential prices (a 24 percent reduction from the local wholesale list price) for light diesel fuel used in farm tractors and harvesting combines used in the fields. In 1965 and in [illegible] the scope of preferential prices was enlarged, with preferential pricing applied to all light diesel fuel used in agriculture (and fisheries), [illegible] the 24 percent preferential rate was changed to a fixed preferential rate for individual areas, which averaged 80 yuan per ton nationally. In 1972, the average national preference of 80 yuan per ton was increased to 120 yuan. In 1980, following change of the preferential price to quarterly (or monthly) supply at list price, a fixed subsidy was given. At the same time the subsidy was abolished in all units owned by all the people. In 1982 another change was made to the method of an approved subsidy base figure.

Institution of the foregoing methods have played a definite role in helping the mechanization of agriculture and development of agricultural production; however, following institution in rural villages of various forms of production responsibility systems in which calculation of compensation is linked to output, very great changes occurred in circumstances. Agricultural production developed; prices for farm products rose; and peasant earnings increased; additionally, great changes occurred in management and use of agricultural machinery and equipment. Procedures for issuance of subsidy funds were overly elaborate, and problems in diversion to other uses occurred. The expenditures of funds increased, but effectiveness was by no means [illegible], nor was conservation of energy advanced. Consequently, abolition of diesel fuel price subsidies became imperative. Our views are as follows:

[illegible] of price subsidies for diesel fuel used in agricultural production effective 1 November 1982 in favor of supply at market list prices.

[illegible] consideration of the fairly great impact of diesel fuel on production in the marine fishing industry, and in order to help development of deep [illegible], subsidies for fuel used within the limits of marine fishing in[illegible] plans will be retained for the time being in communes and brigades in [illegible] provinces, municipalities, and autonomous regions. Subsidies will [illegible] for fuel used beyond plan; instead it will be supplied at [illegible] prices. Most fuel used in the inland river fishing industry is [illegible] with fuel used in agricultural sideline occupations and not [illegible] inseparable from it. Furthermore, little fuel is used, so the [illegible] along with the subsidy for diesel fuel used in agri[illegible]

[illegible] abolition of subsidies for fuel used in agriculture and the in[illegible] fishing industry, the ex-refinery price of this portion of diesel [illegible] remain unaffected for the time being, and businesses will not read[illegible] price that category I petroleum stations charge provin[illegible], [illegible] autonomous regions companies. The diesel fuel subsidy [illegible] by the Ministry of Finance for Ministry of Commerce distri[illegible] fuel to provinces, municipalities, and autonomous regions [illegible] agriculture or the inland river fishing industry should be re[illegible] amount of subsidy and returned to the national treasury. The [illegible] to be sent to local public financial organs should also be

of unnecessary travelling, to [illegible] [illegible] public [illegible] [illegible] [illegible].

If agreeable, please approve and forward the foregoing views to all departments concerned and to all provinces, municipalities, and autonomous regions for implementation. Effective publicity and explanation should be given [illegible] to insure smooth carrying into effect of this measure.

[illegible]
[illegible]

STATE COUNCIL ISSUES NOTICE ON FLUE-CURED TOBACCO PRODUCTION

Beijing XINHUA RENMIN GONGHEGUO GUOWUYUAN GONGBAO [THE PEOPLE'S REPUBLIC OF CHINA STATE COUNCIL COMMUNIQUE] in Chinese No 16,15 Nov 82 pp 700-701

[Article: "Attachment (Duch), Notice of State Council Approval and Forwarding of Report Setting Forth Views of the Ministry of Light Industry and the State Pricing Bureau on 1983 Flue-cured Tobacco Production, Procurement, and Pricing, 21 September 1982, Guofa (1982) No 122"]

[Text] The State Council concurs with the Ministry of Light Industry and State Pricing Bureau "Report Setting Forth Views on 1983 Flue-cured Tobacco Production, Procurement, and Pricing," which is herewith forwarded to them. It is requested that it be implemented before autumn sowing this year, and that a good job be done in publicizing and explaining it to cadres and the masses of people for strict control of the area planted in accordance with state plan, in order to prevent mindless development, and to promote flue-cured tobacco production and procurement.

[illegible] Ministry and State Pricing Bureau Report Setting Forth Views on Flue-cured Tobacco Production, Procurement, and Pricing

[illegible]

[illegible] last year, there substantial increase has occurred in the area planted to flue-cured tobacco, and the amount produced and purchased. [illegible] area planted nationally was 9 million mu; output was 25.5 million dan, and procurement reached somewhat more than 25 million dan. This [illegible] the shortage of raw materials for cigarettes for many [illegible], and replenished supplies of tobacco leaf in storage. In 1982 [illegible] flue-cured tobacco growing area was 14.7 million mu, from which [illegible] million dan and a procurement of between 35 and 38 million dan [illegible]. [illegible] a surplus of between 13 and 16 million dan over [illegible] requirements for cigarette production and export of 22 [illegible] (volume of spoilage).

[illegible] raw material for the cigarette industry is [illegible]; thus its production must be planned in accordance [illegible] of the cigarette industry and market needs. For this reason,

[illegible]

[illegible] MARKETING OF AQUATIC PRODUCTS [illegible]

Liberalization Brings Changes

[illegible] FISH [illegible] p. 2

To [illegible] to support production, enliven markets, and [illegible] customers, the Heilongjiang Provincial Aquatic Products [illegible] Marketing Company has liberalized purchase and market- [illegible] both enlivened the purchase and marketing [illegible] and enlivened the entrepreneurial economy.

[illegible] Company has liberalized aquatic products pur- [illegible] marketing policies in four ways. First was a reduction [illegible] assigned procurement with a proportional lowering [illegible] requirement. State-owned fish farm assigned procure- [illegible] from 10 percent to 50 percent, and no assigned [illegible] in the case of collective and individual [illegible] fish. For fish produced by the agriculture, [illegible], and water conservancy systems, assigned pro- [illegible] from [illegible] percent to 10 percent. For [illegible] market in any way they saw fit all [illegible] and fulfillment of assigned procurement [illegible]. [illegible] salmon and sturgeon, and their roe, con- [illegible] procured by the state. Second was lib- [illegible] of procurement in general. Formerly only [illegible] plus Haerbin and Qiqihaer markets were [illegible] outside the province. After [illegible], the [illegible] four category II stations, 10 municipal [illegible] markets having requisite conditions. Third [illegible] of dealings in aquatic products by [illegible] small retailers. In [illegible], state- [illegible] in aquatic products increased to [illegible] operation in [illegible]. [illegible] from somewhat [illegible] Fourth was liberal- [illegible] prices.

[illegible] brought new changes in supply [illegible] throughout the province as follows:

[illegible] Marketing. Compared [illegible] [illegible] increase in quantity [illegible] and also exceeded the all-time [illegible].

Market [illegible]. Varieties supplied increased, and quality improved. Fresh fish was continuously available during spring, summer, and fall. Marketing methods also changed from waiting for customers to come to buy to pushing carts through lanes, opening markets early, and closing markets late as a convenience to the masses.

Increased Benefits for the Entrepreneurial Economy. An overwhelming majority of aquatic products supply and marketing companies in the province turned losses into profits. In 1981, aquatic products enterprises showed profits of 1.6 million yuan.

Strengthening of Capital Construction of Enterprises. Thanks to their profits, aquatic products supply and marketing enterprises throughout the province did some small scale capital construction. Cold storage locker capacity increased from slightly more than [illegible] tons at six locations in 1978 to more than 7,000 tons at [illegible] locations.

Provision for Surplus Labor. Provision was made for the employment of [illegible] more than 1,000 young people awaiting employment within the [illegible]-owned aquatic products system itself.

[illegible] Need for Marketing Reforms Cited

Beijing RENMIN RIBAO in Chinese [illegible] Jan 83 p 2

[illegible] This newspaper carried three reports, namely, steady supplies of fresh fish during spring, summer, and fall in large and medium-sized cities in Heilongjiang Province, live aquatic products in numerous varieties, large quantities, and of fine quality [illegible], and kelp from Fujian Province [illegible] inland [illegible] after [illegible] sales for many years. These news reports [illegible] that the [illegible] of purchase and marketing [illegible] for aquatic products, the adoption of [illegible], and use of multiple channels for their [illegible] of the markets [illegible].

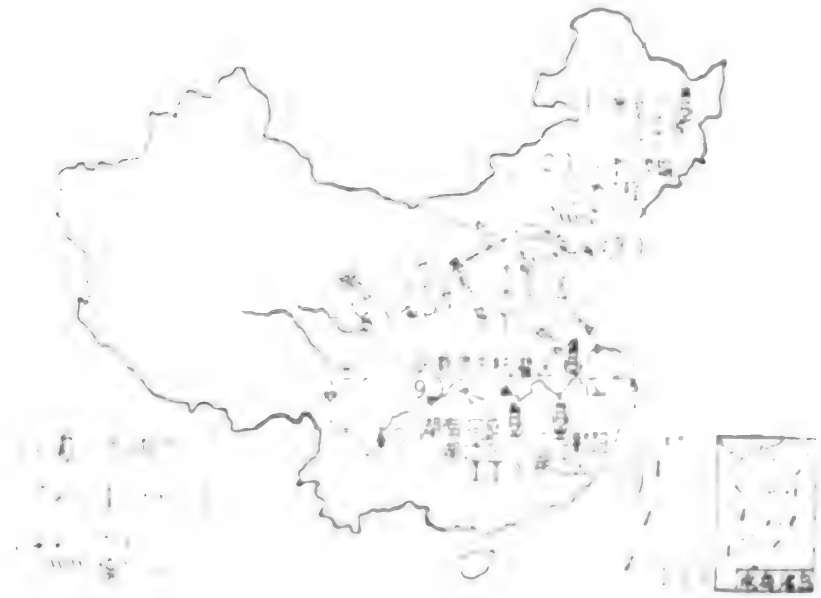
[illegible] aquatic products [illegible] management [illegible] marketing [illegible]

[illegible] Reform of purchase and marketing [illegible] products must be done.

[illegible] situation in Ambilobe [illegible] was this liberalization of livestock products production [illegible] marketing [illegible] holds numerous advantages as follows: It [illegible] interest of aquatic products producers and processors [illegible] industry production. It promotes [illegible] in aquatic products whether state-owned, [illegible] or individuals. It reduces product spillage and [illegible] wastage. It increases variety of aquatic [illegible] freshness, and satisfies consumers. [illegible] the benefit of the country. It increases profits [illegible] industry companies and brigades, and supply [illegible] departments are able to build basic facilities. [illegible] of low value can be fully used, and this [illegible] country resources. It makes it possible [illegible] people awaiting employment.

[illegible] number of advantages from the liberalization [illegible] markets, why not proceed with it?

六五计划期间重点水利建设项目示意图



[illegible] River. (g) [illegible] Irrigation [illegible] [illegible] Water Supply. (h) Navigation Improvement, [illegible] [illegible] Dredging. Protection [illegible] [illegible] Water Conservation, and Control [illegible] [illegible] Water Diversion Project. (5) South China Sea [illegible] [illegible].

[illegible]

[illegible]

MORE FARMING OF FRESHWATER FISH URGED

[illegible] in Chinese [illegible]

[Article [illegible]: "Vigorously Develop Breeding of Aquatic Products"]

[illegible] to what degree can the masses' "difficulty in getting fish" [illegible] solved during the Seventh 5-Year Plan? According to [illegible] by the Aquatic Products Bureau of the Ministry of Agriculture, Animal Husbandry, and Fishery, by 1990 China's output of freshwater fish will increase from the [illegible] million tons of [illegible] million tons, a [illegible] percent increase. The average per capita of freshwater fish available will rise from the [illegible] per capita. At this rate, with [illegible], by the end of the 1990's output of freshwater fish [illegible] between [illegible] and [illegible] million tons, and the average [illegible] of freshwater fish available [illegible] per [illegible] there must increase [illegible] consumption [illegible].

[illegible] plenary session of the [illegible] Party Central Committee [illegible] output of freshwater fish has increased by [illegible] years, but these were the years of [illegible] marine fishing industry [illegible] freshwater fish production [illegible] satisfied. Aquatic products [illegible] aquatic products [illegible] development of the breeding [illegible].

[illegible] the world with the [illegible] These [illegible] million tons [illegible]

[illegible] is very great. In order to tap this potential and [illegible] goals set in the Sixth 5-year Plan, the following [illegible] must be taken in hand: First, it is necessary to [illegible] [illegible] the thinking, liberalize policies, arouse all positive [illegible] and organize state owned enterprises, collectives, and [illegible] relevant together. Second is implementation [illegible] water surfaces, full use of existing water surfaces, [illegible] performance in artificial feeding and increased breeding [illegible] products. Third is promotion of scientific fish [illegible] techniques to increase yields per unit of area. Fourth [illegible] improvement in the processing and full use of aquatic [illegible] increase the food value of aquatic products.

[illegible] fish breeding departments everywhere are in process of taking [illegible] measures to increase output from freshwater fish breeding. [illegible] past around 2 years, Wuxi municipality's fish raising [illegible] has grown rapidly, and output of fish has increased [illegible] fresh fish is readily available in markets. [illegible] medium size cities to develop the raising of [illegible] fish, that would serve the same purpose as the [illegible] indigenous live fish holding areas in the [illegible], [illegible] cold storage and transportation problems and [illegible] supply of fish for the people to eat.

[illegible]

[illegible]

[illegible]

[illegible] yields of [illegible] per [illegible] in [illegible] the [illegible] hybrid rice seed production. Scientists, [illegible] [illegible] Bahan Pratomo and Soetiarso [illegible] [illegible] involved in the matching of breeding [illegible] from [illegible] systems. At a national conference in [illegible] held in Jakarta in 1980 by the Ministry of Agriculture, [illegible] Forestry and Fishery, these advanced experiments are [illegible] and promoted.

The Ministry of Agriculture, Animal husbandry and Fishery [illegible] problems in hybrid rice production, [illegible] [illegible] fertilizer specifically to solve [illegible] [illegible]. At the same time, it has [illegible] [illegible] and [illegible] where hybrid rice [illegible] [illegible] for establishing of low temperature [illegible] throughout the country some [illegible] new strains have [illegible] [illegible] of undergoing area testing and [illegible] [illegible] by the [illegible] variegated with a short growth [illegible] [illegible], strong resistance, and good quality [illegible] [illegible] cultivation over wide areas this year.

[illegible] 1983 INCREASE IN FARM PRODUCTION REPORTED

[illegible] in Chinese 16 Nov 83 p 1

[illegible] of Link-Style Assignment of Jobs to Households Promotes Great Development of Agriculture; Annual Incremental Net Increase in Agriculture in the Province Over a [illegible] Year Period"]

[illegible] office-in-charge of the Anhui [illegible] with a rural news gathering troupe from [illegible] Society, they provided a briefing on the [illegible] of the promotion of responsibility [illegible] style assignment of responsibilities," and on [illegible] rural situation existing in the wake of the Third [illegible]

[illegible] responsibility system which [illegible] of responsibilities" had been carried out [illegible] broad masses of peasants under [illegible] Plenary Session of the 11th Party Con- [illegible] has broken the "leftist" [illegible]. At [illegible] in the province practicing "[illegible]" [illegible] number 99.6 percent of the total [illegible] in which responsibility [illegible] responsibility. This makes it the [illegible] cultural production system of the province. [illegible] "[illegible] assignment of responsibilities" [illegible] which [illegible] [illegible] rather than gradually [illegible] [illegible] it was quickly linked [illegible] [illegible] peasant household [illegible] [illegible] rapidly taken place in agri- [illegible] [illegible] output totaled [illegible] [illegible] output totaled 1.10 million [illegible] [illegible] 1978, [illegible] [illegible] million [illegible] [illegible] this manner, [illegible] [illegible] assignment of responsibilities, [illegible]

[illegible]

[illegible] IN COTTON PROCUREMENT POLICIES

[illegible] in Nan[illegible] NANKIN BAO in Chinese 28 Nov 62 p 1

[illegible] "Questions and Answers About Cotton Procurement [illegible] Interview at Cotton and Hemp Bureau of Ministry [illegible] Responsible Correspondent's [illegible]"

[illegible] question: Will there be any change this year in policies [illegible] procurement prices, increased prices, or award sales [illegible]

[illegible] policies on cotton formulated by the [illegible] in the past have played a role in advancing development [illegible] and in encouraging sales by cotton growers. [illegible] year in cotton procurement policies, [illegible] increased prices paid for procurement [illegible] award sales of grain. After cotton procurement [illegible] substantially completed, there will be a [illegible] of increased prices to be paid and an honorary [illegible] to be made.

[illegible] question: Will cotton teams and commune members sell cotton [illegible] procurement departments pay in cash?

[illegible] answer: Cotton teams and commune members sell cotton [illegible] settlement will be made through account transfer [illegible] cash is up to the seller. Those who want [illegible] those who want an account transfer [illegible] whose money goes into whose account [illegible] cotton seller. When procurement [illegible] except for payment of pre-purchase [illegible] for cotton as provided in contracts, payments may be made on behalf of [illegible] may also be permitted to settle [illegible]

[illegible] on award payment for cotton [illegible]

[illegible] procurement in excess of quotas from cotton fields [illegible] commune members or from private plots?

Answer: [illegible] cotton obtained from contracted cotton [illegible] from private plots (including small tracts of waste [illegible] not readily distinguishable, in order to carry out [illegible] properly and show concurrent concern for the interests [illegible] country, the collective and commune members individually, [illegible] must be made for such cotton. Portions over [illegible] procurement quota are to be purchased at an increased [illegible] grain made in accordance with policy [illegible].

[illegible] why are individual households prohibited from selling [illegible] (Ministry)

[illegible] processing is fairly technical, so processing [illegible] centralized so that processing equipment will [illegible] order to improve product quality, increase production, and use cotton resources equitably. Moreover, [illegible] the amount of production that can be [illegible] ginning. Individual processors use only small [illegible]. They cannot (and it is not profitable to) [illegible] equipment, and thus is is difficult to [illegible] production or quality ginned cotton. They are [illegible] the cotton velvet, with the result that [illegible] not used as they should be. This frequently [illegible] implementation of policies for unified procurement [illegible] of cotton, and increased price [illegible].

ZHANJIANG PREFECTURE PROMOTES GROWING [illegible] RICE

Guangzhou NANFANG RIBAO in Chinese [illegible] pp [illegible]

[Article by Lin Ruo, Zhanjiang Prefecture [illegible] committee: "The Growing of Hybrid Rice to Usher [illegible] Agricultural Production"]

[Text] The 12th Party Central Committee [illegible] ushering in of a new situation in the building [illegible] modernization, and emphasized that [illegible] problems should be the primary strategic [illegible] the development of agricultural production in [illegible] area, we feel this decision to [illegible] completely [illegible] Party Central [illegible] thinking about [illegible] ushering in a new situation in agri-culture, [illegible] take firm grip on the growing [illegible] accelerate its promotion vigorously, [illegible] breakthrough in agricultural product[illegible]

[illegible] developing agriculture, it is [illegible] the guiding policy formulat[illegible] actively to strengthening in grai[illegible] farm machinery diversificatio[illegible] raise grain production, and [illegible]

[illegible] land; its soil is dry and inter[illegible] tly; and it is in production [illegible] grain [illegible] always been low. What thought [illegible] all the part of time to increasi[illegible] ut [illegible] of the masses getting [illegible] what, from point of [illegible] but the growing of [illegible] grain, [illegible] take i[illegible]

[illegible]

EFFECT OF POLICIES ON FARMLAND CONSTRUCTION

[illegible] HEBEI RIBAO in Chinese 10 Jan 83 p 1

[illegible] the advent of winter, Hengshui Prefecture has adopted the method [illegible] responsibility, on a basis of producing actual benefits, to develop [illegible] irrigation programs for the farmland, with emphasis on well drilling [illegible] control. By the end of 1982, the prefecture had mobilized more than [illegible] for the programs to finish drilling 990 new mechanical wells, [illegible] equipment for another 680 wells, building seepage-preventive [illegible] ring [illegible] meters, dredging and clearing 3,606 channels of all [illegible] ting [illegible] bridges, culverts, and pumping stations, leveling [illegible] m. of fields, and digging "high-yield trenches" for 57,510 mu [illegible] A total of 6.070 million cubic meters of earthmoving were [illegible]

[illegible] the production responsibility system, the farmlands [illegible] demanded a change in the agricultural production conditions [illegible] terms [illegible] the farmland, with field irrigation as the central [illegible] response to this demand and based upon local characteristics the [illegible] Prefecture Committee and administration decided to start [illegible] in the two areas of constructing mechanical wells and [illegible] water, in order to make relatively good progress [illegible] during the winter of 1982 and the spring of 1983.

[illegible] the [illegible] of existing engineering structures [illegible] there were 35,554 mechanical wells of varying quality [illegible] of these wells were relatively serviceable, [illegible] that all these wells may become fully benefi[illegible] County, and Baoyang County were [illegible] agricultural engineering department was made responsible [illegible] the agricultural engineering corps, the [illegible] department, and the Bureau of machines [illegible] personnel to inspect every well [illegible] a mechanical well specialty contract system, [illegible] to manage a single well, and to develop [illegible] a register of all the wells.

[illegible] of existing wells, they also decided [illegible] the winter of 1982 and the spring of 1983, [illegible] obsolescence of wells. The plan called for

[illegible] [illegible] of the problem. There is [illegible] [illegible] [illegible]. They should be allowed to use a [illegible] [illegible] [illegible] activities. For long distance sales, the [illegible] [illegible] [illegible] industrial, commercial, and administrative [illegible] [illegible] [illegible] trading licenses, and use the tax in [illegible] [illegible] [illegible] regulations. [illegible] the problems of [illegible] scientific, the [illegible] [illegible] of third [illegible] agricultural by-products and these [illegible] [illegible] [illegible] agricultural by-products that are [illegible] [illegible] [illegible] [illegible] [illegible] to [illegible] [illegible] [illegible] [illegible] [illegible]. In a word, [illegible] methods and channels should be [illegible] [illegible] [illegible] by the farmers on time and will [illegible] [illegible] [illegible] [illegible] difficulty in selling agricultural by-products. In [illegible] [illegible] [illegible] the state, some key agricultural by-products [illegible] [illegible] [illegible] [illegible] and/or the [illegible] of awards, such as [illegible], [illegible], [illegible], [illegible], etc., [illegible] be exchanged by the farmers at [illegible] [illegible] [illegible], chemical fertilizer, and other industrial products [illegible] [illegible], the [illegible] taken off the farmers' hands and [illegible] [illegible] [illegible].

[illegible] to put forth control plans.

[illegible] water and soil conservation [illegible] the [illegible] of the [illegible] region [illegible] for harnessing the rivers; [illegible] of the land. At the same time, [illegible] fundamental importance in creating [illegible] All [illegible] prevention and control, [illegible] control [illegible] management, [illegible] methods of [illegible] specific [illegible] control, and [illegible] the control of small basins [illegible] together control of water and control of [illegible] measures and biological measures, [illegible] benefits [illegible] carry out [illegible] control, and continuous control [illegible]

[illegible] that the [illegible] during the winter of [illegible] and the [illegible]

[illegible]

[illegible]

[illegible] AIED IN WATER AND SOIL CONSERVATION

[illegible] NAIMIN BAO in Chinese 30 Dec [illegible]

[illegible] Water and Soil Conservation and Farmland [illegible] Into a New Stage"]

[illegible] Yaobang made an inspection tour [illegible] upon us to take firmly in hand "two [illegible] " in guiding agricultural production. These were [illegible] from sole emphasis on grain production to [illegible] to economic diversification, and a transf[illegible] emphasis on farmland water conservancy [illegible] simultaneous major efforts in water and soil [illegible] vegetation on ground cover. These important pr[illegible] Yaobang further clarified the important [illegible] production of water and soil [illegible] for about the province must begin [illegible] capital construction, to do a [illegible] conservation, and to improve agricultural p[illegible] order to set the stage for realizing [illegible] output value of industry and agricultu[illegible]

[illegible] and water conservation and farmlan[illegible] squares, first of all, [illegible] some cadres have. Some suppose that [illegible] responsibility syst[illegible] enthusiasm for production [illegible] water no further organized [illegible] the disperse of present labor [illegible] systems. It is not easy [illegible] way that work in large [illegible] are one-sided and [illegible] and some farm land [illegible] individual economics, but [illegible] farmland water [illegible] and the labor [illegible] water conservancy [illegible]

[illegible] which the masses invested labor without gaining any real [illegible] capital benefit. On the contrary, some of them damaged water [illegible] conservancy. Therefore, in future water and soil con- [illegible] farmland capital construction, it is essential [illegible] to emphasize the seeking of truth in facts, the [illegible] [illegible] methods in specific conditions, promotion of the [illegible] and elimination of the harmful to achieve, (1) better [illegible] as it is brought under control, and [illegible] development of farming, forestry, animal hus- [illegible] [illegible] real benefits and economic advantages from control [illegible] the enthusiasm of the great masses of peasants will be [illegible].

[illegible] soil and water conservation and farmland [illegible] construction is an urgent task in the building [illegible], and it is also a program of fundamental [illegible] lasting prosperity for posterity. All [illegible] attention to key areas of control, [illegible] guidance and, under guidance of [illegible] and mobilize the masses [illegible] Water and soil conservation is an undertaking [illegible] very much requires cooperation [illegible] and many [illegible]. Thus, water [illegible] forestry, animal husbandry, [illegible] research departments [illegible] scientific work, [illegible] [illegible]

[illegible] of [illegible] and the amount of [illegible] expenses which [illegible] were to be entered into accounts as [illegible] at the time of final settlement in September [illegible] allocations that should an irresistible large [illegible] or that resulted in reduced output and reduced [illegible] adjustments could be made in the original [illegible] method, but there would be no guaranteeing either workers their former fixed wage earnings. After [illegible] large scale assignment of responsibilities system [illegible] to the state of fixed quotas and full responsibil[illegible] and penalties," a heartening situation of "tiger [illegible]" appeared as follows:

[illegible] increase in the number of those who managed their [illegible] and a decrease in those who were wasteful. [illegible] increase in the number of those who worked and strug[illegible] and those who just tried to get by. There was an [illegible] learning and a decrease in slapdash work[illegible] an increase in initiative to look for production [illegible] decrease in apathy and dependence. Statistics [illegible] from 1956 in the farm's total expenses [illegible] a 15 percent decline in repair costs [illegible] 10 percent decline in costs per jin of [illegible] 10,000 yuan was spent for administrative [illegible] within the farm, and for official [illegible] only slightly more than 7,000 yuan was [illegible] farm completely finished the sowing [illegible] completed wheat harvesting in [illegible] days, [illegible] than in previous year. [illegible] than authorized strength, and [illegible] out of a "large common pot" [illegible] active thinking about problems. The [illegible] farming plant with a total of 190 employees [illegible] which it contracted the number [illegible] employees. The plant's party branch [illegible] ways and means. As a result, vegetable [illegible] teams, and rural field teams were set [illegible] farms jobs. In [illegible] the paper plant [illegible] a profit of [illegible]

[illegible] of [illegible] state-owned farm [illegible] the [illegible] farm's experiences in [illegible] system of large [illegible] "[illegible] of fixed quotas and full [illegible] and penalties, [illegible]

[illegible] state-owned farms this year.

[illegible] TERMINOLOGY EXPLAINED

[illegible] PROBLEMS OF AGRICULTURAL [illegible] [illegible] 19 PP 55-59.)

[illegible] "Agricultural Economics Dictionary"

[illegible] Time. This is the total time required for [illegible] the means of production [illegible] products. That is to say it is the time [illegible] in process of producing, [illegible] time, i.e., the time when workers are [illegible] the object of labor. 2) The time when the [illegible] while the object of work [illegible] [illegible], as for example the time of natural [illegible] animals, or the time of natural fermentation [illegible] required to make ready raw materials, [illegible], seeds, and fertilizer. The [illegible] of agriculture is [illegible] by the [illegible] of animals and plants. For example, [illegible] days for [illegible] to reach [illegible] for forest trees to reach maturity. [illegible] may also impose limitations, as for [illegible] when grown in areas with different natural [illegible] different length. production times, [illegible] and technology, by selecting new varieties of [illegible] or animals [illegible] shorter or higher [illegible] [illegible] [illegible] natural growth period of farm crops, as a [illegible] limit or accurately determine [illegible] as for industrial production time [illegible]."

[illegible] "work period." [illegible] means of [illegible] part of production time. [illegible] work time is used for [illegible] of agricultural production [illegible] work time [illegible]

[illegible] livestock and poultry, fish, and forest [illegible] must go through a series of biological changes during their [illegible] of natural growth, and during this time not very much [illegible] working time is required. For example, overwintering crops take [illegible] months to ripen, and during the period of overwintering little work time is required. Forest trees take many years to reach maturity and during this time, relatively speaking, the work time is very short. In addition, geographic position and climatic conditions have a very great effect on the difference between work time and production time. In tropical regions, the difference between the natural time of growth of farm crops and the time of field work is much greater than in temperate regions. This characteristic requires prepayment over a fairly long period of time of a substantial investment in agricultural production and means that rural workforces, farm machinery and implements cannot be effectively used. Full grasp of the characteristics of agricultural work time, improvement in the farming system, and the carrying out of [illegible] diversification holds major significance for speeding the [illegible] of farms, effective use of rural workforces, farm machinery, [illegible] implements, making full use of agricultural production [illegible], and increasing social wealth. Please see "[illegible]."

[illegible] Year [illegible]. This is also termed "expected normal year output." This [illegible] major basis for the country's levying of agricultural taxes and for setting centralized procurement and centralized marketing quotas arrived at on the basis of natural soil [illegible] and the local farming situation, as well as farm crop yields per unit of area for the whole year that are attainable in ordinary harvest years by using customary planting practices. Natural [illegible] conditions include type of soil, water conservancy, terrain, climate (temperature and amount of precipitation), and [illegible]. Farming conditions include the amount of human [illegible] labor that most local peasant households expend [illegible], the amount of fertilization, and farming techniques. [illegible] practices include the extent of multiple cropping and [illegible]. Figuring normal year output entails use of the [illegible] "[illegible] plants" [illegible] abbreviated to staple [illegible] of shijin, other grains [illegible] staple grain terms, the proportion [illegible] set by provincial, municipal, and autonomous [illegible]. "Agricultural Tax Regulations of the People's Republic of China" stipulate that "once normal year output has been determined, within a period of 5 years no increase in normal year output as a result of increased [illegible] from hard work or [illegible] where yields per unit of area decline [illegible] farmers, [illegible] year output is not to be

[illegible] Marketing of farm products. This includes all [illegible] commodity economy conditions that farm products undergo when they leave the production field and enter the market. It includes inspection, grading, packaging, storage, transportation and marketing of farm products, the market forecasting, supply of funds and [illegible] associated with these activities. Farm products transportation and marketing is a continuation of the production process in the circulation field. It is the [illegible] value of farm products and bring into being [illegible] for their product value; thus, it is an [illegible] of the entire agricultural reproduction process. It [illegible] with the birth and development of commodity [illegible] character differs in different social systems. In socialist society, farm product transportation is [illegible] whereby capitalists exploit farmers and [illegible] a major role in the development of [illegible] with the rapid development of socialist [illegible] production, transportation and marketing [illegible] day by day, and the numerical personnel and [illegible] have also increased more and more. [illegible] commodity production and commodity [illegible] farm product transportation and marketing [illegible] the development of agriculture. [illegible] achieve better conditions for fundamental [illegible] satisfy society's objective demands for [illegible] farm products.

[illegible], which are customarily termed "public [illegible]," [illegible] levies on the earnings from [illegible] individuals engaged in agriculture [illegible] farmers. [illegible] agricultural taxes [illegible] applying [illegible] the army and [illegible] [illegible] production [illegible] public [illegible] [illegible] a tenth [illegible] "[illegible] [illegible] [illegible] exemption [illegible] [illegible] [illegible] [illegible] many cases [illegible] [illegible] [illegible] [illegible]

used a proportional tax system. Following founding of New China, the entire country instituted two tax systems. Old areas continued to use the proportional tax system, and new areas instituted a full sum progressive tax system. With the promulgation in June 1958 of "Agricultural Tax Regulations of the Peoples Republic of China," the whole country instituted a proportional tax system. Subsequently some revisions and amendments were made to the methods by which taxes were levied. In order to lighten burdens on poor production brigades, in 1979 the state put into effect a base point system of levying agricultural taxes, which stipulated that in all grain growing areas production teams (including production brigade centralized accounting units) with low yields that had a shortage of grain, all persons whose average grain ration was less that the base point for levying taxes would be exempt from agricultural taxes. In all cases where earnings were fairly high, where rations were provided by the state and where formerly agricultural taxes were collected in cash or cash crop, the base point system would not be instituted. State-owned farms and other tax paying units with ownership by all the people would also not institute the base point tax system. As regards tax rates for payment of agricultural taxes, in addition to the nationwide average tax rate, the State Council also stipulated average tax rates for each province, autonomous region, and municipality directly subordinate to the central government on the basis of the national average tax rate in combination with different economic circumstances in each region. Each province, autonomous region, and municipality directly subordinate to the central government stipulated, in turn, the average tax rates for subordinate autonomous zhous, and tax rates for subordinate counties, autonomous counties, and cities. The formula for calculating tax sums to be paid by tax paying units is as follows: Taxable land area (number of mu) x normal annual yields per mu x tax rate - reduced or exempted tax sums = revenues to be paid to the treasury. Preferential agricultural taxes and agricultural tax reductions or exemptions are an important integral part of the agricultural tax system and are principally of three kinds: (1) Reductions and exemptions for the purpose of encouraging development of production; (2) Reductions or exemptions occasioned by disasters or lean harvests; and (3) social reductions or exemptions.

Price Scissors. This term generally refers to the price differential between industrial and agricultural products. It is the scissor-shaped gap formed by differences in the interrelationship between value and price of industrial and agricultural goods. In essence, it is that the price of industrial goods is higher than their value while the price of agricultural products is lower than their value. This forms an exchange at unequal value between industrial and farm products. When the variation

between value and price expands, the price scissors expands. Conversely, it contracts. This is a product of the capitalist system that reflects economic relationships of bourgeoisie exploitation of farmers, and city exploitation of rural villages. In colonial and semi-colonial countries, it also reflects the plundering of imperialism. Following Liberation, China adopted a policy of reducing the price scissors in exchanges of industrial and agricultural products and instituted exchange at equal value or nearly equal value, gradually raised procurement prices for agricultural products, and stabilized and lowered the market price of industrial goods. This greatly reduced the price scissors inherited from old China. The price scissors that exists in China today in exchanges of industrial and agricultural produces differs in nature from the price scissors formed in the old society. It is a major form by which peasants provide accumulations to the country. A fundamental way in which to reduce and eradicate the price scissors is improvement in the labor productivity rate in agriculture so that it rises faster than the labor productivity rate in industry. Another way is suitable readjustments in prices of industrial and agricultural products.

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